

1 THE HONORABLE JOHN C. COUGHENOUR
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7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 PFS INVESTMENTS INC., et al.,

11 CASE NO. C13-1159-JCC

12 Plaintiffs,

13 ORDER

14 v.

15 CIPRIAN ORTIZ JR., et al.,

16 Defendants.

17 This matter comes before the Court on the parties' cross-motions for summary judgment
18 (Dkt. Nos. 23, 26). Having thoroughly considered the parties' briefing and the relevant record,
19 the Court finds oral argument unnecessary and hereby DENIES Defendant Ciprian Ortiz's
20 motion (Dkt. No. 23) and GRANTS Plaintiffs' cross-motion (Dkt. No. 26) for the reasons
21 explained herein.

22 **I. BACKGROUND**

23 This is an interpleader action concerning the proceeds of a life annuity. Yoling Ortiz
24 ("Yoling"), the ex-wife of Ciprian Ortiz, Jr. ("Ciprian"), and her aunt, Ignacia Nicolas,
25 established the annuity account in 2002 as joint owners. (Dkt. No. 1 at 3.) Ms. Nicolas died in
26 2005. (Dkt. No. 1 at 3.) It is undisputed that Plaintiffs owe \$148,361.00 under the annuity. (Dkt.
No. 23 at 2; Dkt. No. 26 at 2.) Both Yoling and Ciprian have claimed to be the rightful
beneficiary of the proceeds, although Defendant Ciprian disputes the evidentiary basis for

1 Plaintiffs' belief in Yoling's claim. Plaintiffs filed this interpleader action seeking to submit the
2 \$148,361 into the Court's registry and thus discharge their obligations. (Dkt. No. 1 at 5.)

3 **II. DISCUSSION**

4 **A. Interpleader Action**

5 The purpose of an interpleader action is to resolve competing property claims and protect
6 the party holding the property from multiple claims and liability. *See Premier Trust, Inc. v.*
7 *Duvall*, 559 F.Supp.2d 1109, 1113 (D. Nev. 2008) (citing cases). “[I]n order to avail itself of the
8 interpleader remedy, a stakeholder must have a good faith belief that there are or may be
9 colorable competing claims to the stake.” *Michelman v. Lincoln Nat. Life Ins. Co.*, 685 F.3d 887,
10 894 (9th Cir. 2012). This is not an onerous standard and the stakeholder is not responsible for
11 sorting out the merits of conflicting claims. *See id.* As Defendant recognizes, “interpleader has
12 very low bar” (Dkt. No. 23 at 9.)

13 Plaintiffs have easily cleared this low bar. Defendant's arguments to the contrary appear
14 to rest primarily on the inadmissibility of Plaintiffs' evidence. (Dkt. No. 32.) But Plaintiffs are
15 not required to prove by admissible evidence that Yoling has a colorable claim; they must merely
16 show a good-faith belief in the competing claim. The declarations submitted in support of their
17 motion do so. (Dkt. Nos. 27, 28.) Defendant's other arguments are similarly meritless.

18 As disinterested stakeholders—which the Court concludes Plaintiffs are—Plaintiffs are
19 entitled to reasonable attorney's fees, which will be determined upon application. *See Trustees of*
20 *the Directors Guild of America-Producer Pension v. Tise*, 234 F.3d 415, 426 (9th Cir. 2000);
21 *First Interstate Bank N.A. v. United States*, 891 F. Supp. 543, 548 (D. Or. 1995).

22 **III. CONCLUSION**

23 For the foregoing reasons, Defendant Ciprian Ortiz's motion for summary judgment is
24 DENIED (Dkt. No. 23) and Plaintiffs' cross-motion is GRANTED (Dkt. No. 26).

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1 DATED this 29th day of May 2014.
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John C. Coughenour
John C. Coughenour
UNITED STATES DISTRICT JUDGE

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